Message Text

PAGE 01 STATE 186174 ORIGIN EA-12

INFO OCT-01 EUR-12 ISO-00 ICA-20 SIG-03 PM-05 PA-02 INR-10 /065 R

DRAFTED BY EA/P:STAFF:VDC APPROVED BY EA/P:J CANNON DESIRED DISTRIBUTION ICA/EA:M SMITH

-----038417 241807Z /45

R 241706Z JUL 78
FM SECSTATE WASHDC
TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
AMEMBASSY MOSCOW
AMEMBASSY PARIS
INFO CINCPAC HONOLULU HAWAII 0000
COAST GUARD WASHDC 0000
GOVGUAM 0000

UNCLAS STATE 186174

JCS WASHDC 0000

ATTN PARIS FOR JACK MARESCA

TREASURY DEPARTMENT WASHDC 0000

E.O. 11652: N/A

TAGS: SOPN, XC, US

SUBJECT: JULY 24 EA PRESS SUMMARY

1. LAOS

ACCORDING NYT'S KAMM (BANGKOK 7/23), LPDR, WHICH HAD BEEN GRADUALLY SHIFTING FROM APPARENT NEUTRALITY TO LOW-KEY SUPPORT OF VN IN ITS DISPUTES W/CAMBODIA/CHINA, HAS RANGED ITSELF FULLY OF VIET SIDE IN STRONG DECLARATION FOLLOWED BY UNCLASSIFIED

PAGE 02 STATE 186174

EDIT IN COMMUNIST PARTY PAPER. SAYS STATEMENTS RECEIVED W/CONSIDERABLE SURPRISE BY INDOCHINA EXPERTS. NOTES LAOTIAN DECLARATION ISSUED ON 1ST ANNIVERSARY SIGNING OF LAOTIAN-VIET FRIENDSHIP TREATY. SAYS DIPLO OBSERVERS SPECULATED THAT "SIGNIFICANT OPEN SHIFT" TO VIET SIDE WAS RESULT OF HEIGHTENED VIET PRESSURE, UNDOUBTEDLY SUPPORTED BY USSR.

2. VIETNAM/CHINA

HANOI RADIO REPORTED 7/23 THAT VN HAS AGREED OPEN TALKS W/PRC ON MASS EXODUS CHINESE REFUGEES ACROSS VIET BORDER.
BROADCAST SAID SRV SUGGESTED NEGOTS COULD START IN HANOI 8/8, THAT ACCEPTANCE CHINESE PROPOSAL CONTAINED IN NOTE HANDED CHINESE CHARGE IN HANOI. NOTE SAID SRV HAS ALWAYS

STOOD FOR NEGOTIATED SOLUTION TO DISPUTES BETWN 2 COUNTRIES/THAT IT "WILL DO ALL IT CAN TO HELP BRING ABOUT FINE RESULTS" (REUTER, NYT/PHINQ; MORITZ, CSM--ALL HK; WSTAR TOKYO 7/23). REUTER (PEKING, NYT) NOTES PRC HAD NO IMMEDIATE COMMENT ON SRV ACCEPTANCE OF TALKS.

WP (HK 7/23) ITEM NOTES THAT IN "UNUSUAL MOVE AIMED AT VIETNAM" PRC HAS DISCLOSED ITS AID TO HANOI OVER MORE THAN 2 DECADES EXCEEDED 10 BIL DOLS, INCL "MILLIONS OF RIFLES, TENS OF THOUSANDS OF ARTILLERY PIECES, OVER A BILLION ROUNDS OF BULLETS." ITEM SAYS ANNOUNCEMENT OF AID AMOUNT, BULK OF WHICH CONSISTED OF FREE GRANTS, APPARENTLY ATTEMPT REBUT VIET STATEMENTS ON SUBJECT.

3. INDOCHINA REFUGEES

UNHCR REGIONAL REP DR SAMPAR JUMAN TELLS DELS FROM 19 UNCLASSIFIED

PAGE 03 STATE 186174

NATIONS MTG PRIVATELY IN MALAYSIA THAT INCREASE IN VIET REFUGEES COULD ONLY BE CALLED "SPECTACULAR." HE WARNED UNLESS THERE IS INTL ACTION ON REFUGEES, EXPECTED TO INCREASE FOLLOWING MONSOON, GOM WOULD ADOPT POLICY OF PREVENTING VIET BOATS LANDING AT MALAYSIAN PORTS OR ENTERING MALAYSIAN WATERS. LAT'S MCARTHUR (SINGAPORE 7/21) SAYS SIMILAR WARNINGS COME FROM THAILAND/SINGAPORE. NOTES IN LAST 12 MONTHS, NUMBER BOAT PEOPLE HAS RISEN 8 PCT.

GROUP OF 86 VIET REFUGEES, PICKED UP IN S CHINA SEA, ALLOWED LAND IN JAPAN MONDAY UNTIL ARRANGEMENTS MADE FOR THEIR TRAVEL TO 3RD COUNTRY/OR SETTLEMENT IN JAPAN. MEANWHILE, IN KL, GOM HOME AFFAIRS MIN CALLED ON INDOCHINA STATES TAKE MORE EFFECTIVE MEASURES TO HALT REFUGEE FLOW. HE MADE REMARKS TO REPORTERS AFTER TALKS W/AUSSIE IMMIGRATION MIN WHO HAS BEEN TOURING SEASIA TO EXAMINE REFUGEE PROBLEM (REUTER YOKOHAMA).

4. VIETNAM/JAPAN/CHINA

ABOUT 20 JAPANESE WHO STAYED IN VN AFTER WWII RETURNED JAPAN SUN, SAYING THEY HAD BEEN "FORCED OUT" BY ECON PRESSURES IMPOSED ON THEM BY SRV. SOME BACKED UP PRC CHARGES THAT VIETS ARE PERSECUTING ETHNIC CHINESE/OTHER MINORITIES. ONE SAID HE TWICE WITNESSED ETHNIC CHINESE BEING HAULED AWAY AT NIGHT IN LARGE MIL TRUCKS. ABOUT 80 JAPANESE/THEIR FAMILIES REPORTEDLY STILL IN VN (AP

TOKYO, SUN/NYT).

5. CAMBODIA

CAMBODIAN GOVT, IN NOTE TO UN PUBLISHED SATURDAY, REJECTS CHARGES OF MASS HUMAN RTS VIOLATIONS BY ASSURING THAT IT "DOES NOT MURDER," BUT PURSUES "NOBEL AND VIRTUOUS GOALS" BY SERVING PEOPLE ON BASIS OF "JUST POLICIES." NOTE ACCUSED BRITAIN OF "ODIOUS INTERFERENCE" IN CAMBODIAN UNCLASSIFIED

PAGE 04 STATE 186174

INTERNAL AFFAIRS BY CALLING FOR UNHCR INVESTIGATION OF SITUATION IN CAMBODIA. NOTE, DATED 4/22, SAID GOVT LOOKS W/PRIDE ON ACCOMPLISHMENTS SINCE '75 (NYT SPEC; AP, SUN--BOTH GENEVA 7/22).

6. THAILAND

BAND OF COMMUNIST INSURGENTS STAGED 3-HR ATTACK ON POLICE STATION IN HAKHON PHANOM IN NE THAILAND/BOMBED NEARBY POWER PLANT/HEALTH STATION SATURDAY. MEANWHILE, POLICE SAID 5 SOLDIERS KILLED/15 WOUNDED WHEN 400 INSURGENTS ATTACKED MIL BASE 7/20 ABOUT 530 MI E OF BANGKOK (AP BANGKOK, SUN).

7. INDONESIA

GOI WILL BOOST TEXTILE EXPORTS THRU PROMOTION OF PKG OF BANKING/TAX/SHIPPING RELIEF/INCENTIVES AS PART OF INDO EXPORT PROMOTION PROGRAM (UPI JAKARTA, JOC).

8. PACIFIC ISLANDS

FRANCE CARRIED OUT ITS BIGGEST UNDERGROUND NUKE TEST AT MURUROA ATOLL 7/19 (REUTER PAPEETE, NYT 7/23).

9. CHINA

AFTER MONTH'S HIATUS, USSR HAS APPOINTED ILYA SHCHERBAKOV ITS NEW AMB TO PEKING. 66-YR-OLD DIPLOMAT WAS MOSCOW'S AMB TO VIETNAM '64-'74/HAS HELD "RESPONSIBLE POST" IN CP'S CENTRAL CMTE FOR LAST 4 YRS, ACCORDING "TASS" (AP, NYT).

BY VOICE VOTE, SEN AGRIC SUBCMTE 7/21 APPROVED LEGISLATION UNCLASSIFIED

PAGE 05 STATE 186174

THAT WOULD ALLOW PRC BUY US FARM PRODUCTS ON CREDIT/REPAY OVER 3-YR PERIOD. SIMILAR PROPOSAL ALREADY APPROVED BY HOUSE AGRIC CMTE (AP SUN: REUTER 7/21).

"PD" ARTICLE ACCUSES CUBA OF DOING ITS UTMOST TO SABOTAGE NON-ALIGNED MOVEMENT/BRING IT INTO SOVIET ORBIT. ITEM SAID CUBA "HAS STEPPED UP ITS COLLABORATION" W/" SOVIET SOCIAL-IMPERIALISTS" (REUTER PEKING 7/21).

CIA REPORT SAYS GROSS VALUE PRC'S INDUSTRIAL OUTPUT HAS ALMOST DOUBLED IN PAST 7 YRS/IS NOW OVER 600 PCT HIGHER THAN '57 LEVEL (REUTER 7/21).

RUBBER FOOTWEAR MFRS ASSN CLAIMS TAIWANESE MFRS USING HK TO ASSEMBLE FOOTWEAR SHIPPED TO US, THEN SENDING THEM AS HK-MADE PRODUCTS IN ORDER EVADE NEW QUOTAS ON ROC IMPORTS. MEANWHILE, US/HK HAVE AGREED ON NEW LIMITS FOR WOOL SKIRT EXPORTS TO US. US ALSO SEEKING RESTRAINTS ON SEVERAL OTHER CATEGORIES WOOLEN CLOTHING, BUT LIMITS NOT YET AGREED UPON (VEIGA, JOC HK).

US ITC TO DECIDE TUES ON REMEDY FOR MRKT DISRUPTION--WHICH COUNCIL LAST THURS AGREED DID EXIST--CAUSED BY PRC WOODEN CLOTHESPIN IMPORTS. RESTRICTION COULD BE IN FORM OF QUOTA OR HIGHER DUTY. COMMENTING ON CASE, LAWYER FOR CLOTHESPIN INDUSTRY SAID HE WOULD LIKE SEE IMPORTS FROM PRC ROLLED BACK TO WHAT THEY WERE 3 YRS AGO--ZERO (UPI, JOC).

WP'S FREUNDEL DOES FEATURE ITEM ON LAWYER STAN LUBMAN--1 OF HANDFUL US LAWYERS TRAINED IN CHINESE LANGUAGE/LAW. NOTES SINCE '72, LUBMAN HAS BEEN INTERPRETING BUSINESS/LAW/ SOMETIMES CULTURE TO PARTICIPANTS IN US-PRC TRADE. DEALS IN WHICH LUBMAN HAS PARTICIPATED INCLUDE 1ST US SALE OF OIL RIG TO PRC (7/23).

WP'S MATHEWS (KWEILIN 7/24) DOES LENGTHY FEATURE ON SYDNEY UNCLASSIFIED

PAGE 06 STATE 186174

RITTENBERG--ONE-TIME ADVISOR TO MAO'S GOVT/LAST AMERICAN TO SERVE TIME IN CHINESE PRISON. DESCRIBES RITTENBERG'S ENTRY INTO CHINA W/ARMY IN '45/WORK W/IN PRC GOVT/CONFUSING SERIES OF EVENTS IN WHICH HE WAS CHARGED W/BEING US SPY, AND W/HELPING CAMPAIGN OVERTHROW CHOU. ONLY LATE LAST YR, PEKING ALLOWED HIM OUT OF PRISON TO RETURN TO LIVE W/WIFE, 4 CHILDREN/WORK AS TRANSLATOR-EDITOR.

CAMERON (SUN 7/23) REVIEWS PRC PERFORMING ARTS TROUPE'S OPENING NIGHT AT WOLF TRAP TUES/NOTES IT WAS "SOLD-OUT SUCCESS." DESCRIBES IT AS "GLORIOUS VARIETY SHOW"/CHARMING/FAST-PACED. PRAISES ALL BUT REVOLUTIONARY BALLET EXCERPT. SAYS CLASSICAL DANCE DOESN'T LEND ITSELF WELL TO "SUCCESS STORIES ABOUT GALLANT MEMBERS OF THE WORKERS' PARTY."

10. CHINA/JAPAN

PG-1 "ASAHI" ITEM REPORTS PRC VICE-PREMIER KANG SHIH-EN HAS

TOLD JAPANESE BUSINESSMEN IN PEKING THAT CHINA WISHES "COLLABORATE" IN JOINT DEVELOPMENT OIL/NATURAL GAS IN EAST/ SOUTH CHINA SEAS. QUOTES KANG THAT ALTHO PEKING HAS OFFERS FROM US, JAPAN REGARDED AS "MOST DESIRABLE PARTNER"

BECAUSE THERE EXISTS ONLY "NARROW STREAK OF WATER" BETWN COUNTRIES (UPI, JOC).

PRELIM NEGOTS ON PRC-JAPAN PEACE/FRIENDSHIP TREATY OPENED IN PEKING 7/21. "ANTI-HEGEMONY" CLAUSE STILL SEEN MAJOR DIVIDING ISSUE, W/FONMIN SONODA SCHEDULED FLY PEKING NEXT WK TO PARTICIPATE IN DELICATE DRAFTING WORK (CHAPMAN, WP TOKYO 7/22).

NYT'S SCOTT-STOKES (TOKYO 7/23) REPORTS PRC/JAPAN PLANNING LINCLASSIFIED

PAGE 07 STATE 186174

MASS JOINT INDUSTRIAL PROJECTS. CITES 3 MAJOR MOVES MADE RECENTLY BY CHINA WHICH SEEM INDICATE MORE POSITIVE ATTITUDE TOWARD BETTER RELS W/JAPAN: JOINT DEVELOPMENT EAST CHINA SEA OILFIELDS; PEKING'S EXPRESSED INTEREST IN POSSIBLE ARMS PURCHASES FROM JAPAN; CHINESE INFORMING MITUSI PRES, DURING RECENT PRC MISSION, THAT CHINA INTENDS ACCEPT BANK LOANS FROM ABROAD TO FINANCE INDUSTRIAL DEVELOPMENT. STATES THESE POLICY CHANGES ON PEKING'S PART/OTHER EVIDENCE OF INCREASING JAPAN-PRC TIES SEEN AS NEARLY COMPLETE REMOVAL ANY CHINESE OBJECTIONS TO CLOSE COOPERATION W/JAPAN.

11. GENERAL

NEWLY-FORMED EGYPTIAN INTL LINE (W/50 PCT US OWNERSHIP) TO ESTABLISH NEW LINER SERVICE LINKING FAR EAST/EGYPT. TWO VESSELS PURCHASED FROM PHILS, SPHINX/PYRAMID, DUE TO BEGIN SERVICE 8/1, CALLING AT YOKOHAMA/NAGOYA/KOBE/PUSAN/HK/KEELUNG/SINGAPORE/PORT SAID/ALEXANDRIA. LINE HAS APPLIED FOR MEMBERSHIP IN FE CONF/JAPAN-EUR FREIGHT CONF (JOC).

12. JAPAN

GOJ/JAPANESE STEEL INDUSTRY SAY US DECISION RAISE MINIMUM PRICE IMPORTED STEEL WILL PROBABLY HAVE LITTLE EFFECT ON JAPANESE EXPORTS. MITI OFFICIALS SAID INCREASE EXPECTED/WOULD PRESENT LITTLE PROBLEM, AS JAPANESE STEELMAKERS HAVE ALREADY RAISED EXPORT PRICES TO COVER YEN'S RISE AGAINST DOL/PRODUCTION COST INCREASES (REUTER TOKYO 7/21).

FUKUDA APPEALED TO CABINET 7/21 TO HELP HIM REDUCE TRADE SURPLUS OVER NEXT 8 MONTHS. SAID W/O CABINET'S CLOSE COOPERATION HE MIGHT BE UNABLE KEEP PLEDGES MADE AT BONN ECON SUMMIT. SPECIFICALLY, PM EMPHASIZED NEED FOR

EMERGENCY IMPORTS/RAPID PREPARATIONS FOR TALKS W/US IN UNCLASSIFIED

PAGE 08 STATE 186174

SEPT ON HOW EXPAND JAPAN'S PURCHASES US FARM PRODUCTS (CULLISON, JOC TOKYO).

JAPANESE DELS AT CONSULTATION ON JULY '77 US-JAPAN AGREEMENT MONITOR JAPANESE COLOR TVS HAVE CHARGED TV IMPORTS FROM SK/ROC/MEXICO VIRTUALLY UNDER NO CONTROLS/DEMANDED US MONITOR THEM CLOSELY. US OFFICIALS DECLINED COMMENT ON DEMAND, BUT DID SAY IMPORTS FROM THESE 3 COUNTRIES WOULD BE WATCHED CAREFULLY (UPI, JOC).

CHAPMAN (WP TOKYO) DOES ITEM ON DOL'S FALL BELOW 200 YEN 7/24 IN TOKYO. REPORTS TRADE ON TOKYO EXCHANGE NEARLY DOUBLE NORMAL MORNING'S VOLUME, W/BANK OF JAPAN INTER-VENING ONLY MODERATELY IN ATTEMPT SLOW DOL DECLINE. OFFICIALS SAY PARTIAL REASON FOR LATEST FALL IN DOL VALUE WAS REPORT LATE LAST WK THAT OPEC MAY STOP BASING ITS PRICES ON DOL.

13. JAPAN/KOREA

CULLISON (JOC TOKYO) REPORTS JAPAN-SK JOINT CMTE TO BE ESTABLISHED BEFORE END JULY TO IMPLEMENT BILAT CONTINENTAL SHELF GAS/OIL DEVELOPMENT AGREEMENT. JAPAN'S ENERGY RESOURCES MINISTRY SAYS CMTE WILL SCHEDULE 1ST MTG FOR EARLY AUG IN SEOUL. AT THAT TIME, CMTE MEMBERS TO EXCHANGE LIST OF CONCESSIONARIES WHICH WILL ENGAGE IN JOINT EXPLORATION E CHINA SEABED.

COMMENT AND ANALYSIS

14. INDOCHINA

PETER KOVLER URGES PRES CARTER TO BREAK W/HIS PREDECESSORS/UNCLASSIFIED

PAGE 09 STATE 186174

CANCEL TRADE EMBARGO AGAINST VN WHEN IT EXPIRES IN SEPT. SAYS IT WOULD BE BEGINNING OF "SANE AND CIVILIZED" US-VIET RELATIONSHIP. CONTENDS EACH COUNTRY WOULD DERIVE IMPORT ECON BENEFITS FROM LIFTING OF EMBARGO/VN WOULD DECREASE ITS RELIANCE ON USSR. SAYS BY BEGINNING TRADE/PERMITTING VIETS USE SOME OF OUR ADVANCED TECH, US CAN, IN SMALL WAY, ATONE FOR ATROCITIES PERPETRATED AGAINST VIETS (NYT).

WRITING IN 7/21 CSM, KOVLER SAYS MOST IMPT/DISPUTATIOUS AMENDMENTS TO HOUSE FON AID APPROPRIATIONS BILL WILL BEAR ON WHETHER TO RESTRICT INDIRECT US AID TO CAMBODIA/LAOS/VN/OTHERS. SAYS SUPPORTERS OF AMENDMENTS TRYING MAKE IT LAW

THAT NO US CONTRIBUTIONS TO INTL FINANCIAL INSTITUTIONS CAN BE USED FOR PROJECTS IN THESE COUNTRIES, IDENTIFIED FOR HUMAN RTS VIOLATIONS. CONTENDS PROBLEM IS THAT AMENDMENTS WILL SINGLE OUT LEFT-WING COUNTRIES, W/RIGHT-WING VIOLATORS LEFT UNPUNISHED. IF NOTHING ELSE, SAYS SUCH APPROACH IS HYPOCRITICAL. NOTES ACTUAL EVIDENCE IS UNCLEAR/THAT "POLITICIZATION" OF INTL BANKS CAN HAVE EXTENSIVE EFFECTS

ON OTHER DONORS AS WELL.

KOVLER SAYS NEVER MORE CLEAR THAT VN/LAOS ARE POTENTIAL US ALLIES, WOULD BE INHUMANE TO TRY HURT LAOS, ON VERGE OF FAMINE, THAT SUCH MEASURES WILL INCREASE DIFFICULTY IN IMPROVING RELS W/2. CONCLUDES CMTE HAS PICKED OUT HUMAN RTS VIOLATORS W/O ANY SERIOUS CONSIDERATION.

NYDN'S RAINIE WRITES (SUN 7/23) ABOUT MYTH THAT GREW OUT OF VN WAR THAT IF AMERICANS HAD KNOWN ALL FACTS, WE WOULD HAVE MADE DIFFERENT DECISIONS ABOUT WAR. SAYS PROBLEM W/MYTH IS T;AT NEWS PUBLICATIONS DID EXTRAORDINARY JOB OF COVERING WAR/THERE IS NO INDICATION THAT DIRECTION OF POLICY WOULD HAVE BEEN DIFFERENT HAD PUBLIC KNOWN MORE. SAYS FACT THAT PUBLIC DID NOT RISE UP AT TIMES OF EARLY MAJOR ESCALATIONS IS TESTAMENT TO PRO-WAR (OR ANTI- ANTI- UNCLASSIFIED

PAGE 10 STATE 186174

WAR) SENTIMENTS. OBSERVES THAT VAST MAJORITY AGREED W/WAR'S AIMS/IT IS MISTAKE TO FOCUS ONLY ON WAR PLANNERS AS CULPRITS FOR EVENTUAL DEBACLE. CONTENDS EXPLANATION OF HOW WE GOT INTO VN HAS TO FOCUS ON TEMPERAMENT OF PUBLIC/CONGRESS AS WELL AS WAR PLANNERS. CONCLUDES MAJOR LESSON OF VN WAR IS "WE DID IT TO OURSELVES."

15. CHINA

SUN EDIT (6/23) CHIDES RONALD REAGAN'S "RIGHTWING RETHINK" ON CHINA POLICY. BELIEVES IF REAGAN ACTUALLY CHANGES HIS POSITION ON DIPLO RELS W/PRC, WOULD BE GOOD NEWS FOR PRES CARTER, AS "RIGHTWING ASSAULTS" ON NORMALIZATION WOULD BE CONSIDERABLY MUTED. ALSO NOTES SEN GOLDWATER MUST BE MOLLIFIED, TOO, BY WH ENSURING FACT CONGRESS GIVEN "SUFFICIENT CONSTITUTIONAL ROLE" IN ANY US POLICY SHIFT AWAY FROM TAIPEI TOWARD PEKING.

KARNOW (SUN) SEES DOUBLE STANDARD RE HUMAN RIGHTS WHERE PRC CONCERNED. REMARKS THAT AMERICANS "WHO WAX INDIGNANT" OVER PERSECUTION SOVIET BLOC DISSENTERS TEND PAY INSUFFICIENT ATTENTION TO SIMILAR VIOLATIONS OF CIVIL LIBERTIES IN PRC. SUGGESTS AMERICANS NOW VISITING CHINA BE AWARE THAT GOOD DEAL DISSATISFACTION LIES BENEATH SURFACE/ITS EXPRESSION JUST BEGINNING

SEEP OUT. NOTES CHEN JO-HSI BOOK, "THE EXECUTION OF MAYOR YIN," WHICH GIVES CONSIDERABLE INSIGHT INTO DISCONTENT IN CHINA. OPINES THAT IF US CORRESPONDENTS PERMITTED BASE IN PEKING AS THEY ARE IN MOSCOW, OUR "DOUBLE MORAL STANDARD MAY END."

HEMPSTONE (WP 7/23) WRITES FULL-PG OP-ED ITEM ON UNCLASSIFIED

PAGE 11 STATE 186174

TAIWAN'S ECON BOOM/QUESTION OF WHETHER PROSPERITY WOULD SURVIVE END OF US TIES. NOTES ROC NOT ONLY SURVIVED JAPAN'S ESTABLISHMENT FULL DIPLO RELS W/PEKING, BUT ALSO MANAGED INCREASE TRADE W/JAPAN TO RECORD LEVELS. HOWEVER, SEES BREAK W/US DIFFERENT STORY. OPINES NORMALIZATION W/PRC "ON PEKING'S DRACONIAN TERMS" COULD CLEARLY HAVE DESTABILIZING EFFECT ELSEWHERE IN ASIA. SAYS TAIWAN'S MAIN FEAR IS THAT AFTER NORMALIZATION, PRC'S 1ST STEP WILL BE USE DIPLO/ECON PRESSURE TO "DRY UP" ROC'S SOURCES OF ARMS/SPARE PARTS--NOW ENTIRELY US.

16. JAPAN

SCOTT-STOKES (NYT TOKYO) FINDS DRASTIC CHANGE IN JAPANESE OPINION TOWARD US IN RECENT YEARS/SAYS MANY JAPANESE IN GOVT/BUSINESS HAVE LOST MUCH OF THEIR OLD RESPECT FOR "ALL THINGS AMERICAN." CITES SHARP CRITICISM OF US INDUSTRY/ECON MANAGEMENT/SECURITY COMMITMENT. QUOTES EXTENSIVELY ECON PLANNING AGENCY CHIEF MIYAZAWA, WHO BELIEVES IT IMPERATIVE THAT JAPAN VOICE ITS CONCERNS TO US. SAYS MIYZAWA, "IT'S JUST UNHEALTHY" THAT US SHOULD REMAIN IGNORANT ABOUT WAY MANY JAPANESE ACTUALLY FEEL.

IN HIGHLY CRITICAL PIECE ON BONN ECON SUMMIT, JANEWAY (STAR 7/23) OPINES JAPAN'S EXPORT REQUIREMENTS SO MASSIVE THAT ONLY "CONTINENTAL-SCALE ECONOMY CAN SATISFY HER." RULES OUT PRC/USSR "FOR OBVIOUS REASONS"/SAYS EUR JAPAN'S ONLY ALTERNATIVE OUTLET FOR EXPORTS PAYABLE IN HARD CASH. HOWEVER, STATES JAPAN CANNOT DO WELL IN EUR LONG AS EUR ITSELF DOING BADLY. CONSEQUENTLY, THE MORE EUR SHUTS JAPAN OUT OF ITS MARKETS, MORE LIKELY JAPAN WILL TURN TO US-WHERE JAPAN WILL LIKELY COLLIDE W/"DESPERATE FORCES UNCLASSIFIED

PAGE 12 STATE 186174

OF PROTECTIONISM."

17. CAMBODIA

IN LTR TO WSTAR (7/23), DELTON FRANZ, DIR WASHINGTON OFFICE, MENNONITE CENTRAL CMTE, CRITICIZES WM BUCKLEY FOR QUOTING CMTE LTR "TOTALLY OUT OF CONTEXT" IN COLUMN HE DID ON "16 WAYS TO DO NOTHING ABOUT CAMBODIA." FRANZ SAYS BUCKLEY, WHO CLAIMED MENNONITES DOUBT THERE HAS BEEN ANY SLAUGHTER AT ALL IN CAMBODIA, IGNORED ARTICLES CONDEMNING HUMAN RTS VIOLATIONS WHICH ACCOMPANIED LTR/IGNORED INTRODUCTORY STATEMENTS IN LTR WHICH SAID, "WE FEEL IT IMPORTANT FOR THOSE WHO ARE SPEAKING OUT AGAINST HUMAN RIGHTS...TO ALSO SAY SOMETHING ABOUT KAMPUCHEA."

FRANZ SAYS MENNONITES HORRIFIED AT APPARENT SITUATION IN CAMBODIA/HUMBLED BY US CULPABILITY IN "TREMENDOUS DEATH AND DESTRUCTION OUR MILITARY RAINED ON THAT COUNTRY DURING THE WAR"

18. INDOCHINA REFUGEES

NYT EDIT OBSERVES THAT CARTER ADMIN'S RECENT IMPORT STEPS TO FULFILL NATION'S OBLIGATIONS TO INDOCHINESE REFUGEES SEEM INADEQUATE IN LIGHT OF EVER INCREASING NUMBERS REFUGEES FROM VN/CAMBODIA/LAOS. CONTENDS US WILL CLEARLY NEED PROVIDE FOR STILL MORE TO ENTER/SPECIAL CONSIDERATION MUST BE GIVEN CAMBODIANS, SINCE FEW CAN QUALIFY UNDER CURRENT GUIDELINES.

19. SINGAPORE

IN REUTER FEATURE, FREEMAN (SINGAPORE 7/20) NOTES GOS UNCLASSIFIED

PAGE 13 STATE 186174

IS VIGOROUSLY SEEKING NEW EXPORT MRKTS IN DETERMINED DRIVE TO MAINTAIN RAPID ECON PROGRESS WHICH HAS MADE COUNTRY ONE OF RICHEST IN ASIA. SAYS NEED FOR NEW MRKTS UNDERLINED BY RECENT TRADE FIGURES WHICH SHOW IMPORTS RISING AT FASTER RATE THAN EXPORTS, THO OVERALL BOP REMAINS IN BLACK. QUOTES "STRAITS TIMES" THAT COUNTRY SHOULD TURN ATTENTION TO DEVELOPING MRKTS OF ASIA/AFRICA; NOTES SINGAPORE ALREADY PUSHING AHEAD W/PLANS FORGE CLOSER TIES W/COMMUNIST NEIGHBORS. OBSERVES LACK OF RESOURCES, PARTICULARLY FOOD, PLACES SINGAPORE IN DIFFICULT POSITION IN TIMES OF WORLD RECESSION.

20. AUSTRALIA

BALT SUN (7/24) CARRIES OBSERVATION BY SYDNEY SUN'S JOHN SHAW ON US-AUSTRALIA CONTROVERSY OVER WHETHER KANGAROO IS ENDANGERED SPECIES. FINDS IT "CLASSIC CASE OF INTERNATIONAL MISUNDERSTANDING--FORTUNATELY NOT AT A DAMAGING LEVEL." NOTES USG, "SWAYED" BY CONSERVATIONISTS, HAS BANNED IMPORT OF SUCH KANGAROO IMPORTS AS SHOES/TOYS/COATS/PET FOODS SINCE '75; WHILE AUSSIE FARMERS/

NATURALISTS/GOVT OFFICIALS ASSERT KANGAROO NOT ONLY FLOURISHING, BUT IN SOME AREAS PROLIFERATING TO PLAGUE PROPORTIONS. SHAW FINDS AUSSIE NATURALISTS TROUBLED THAT, W/O CONTROLLED "HARVESTING" OF KANGAROOS FOR EXPORT MRKT, ANIMAL WILL PROLIFERATE W/GRAVE CONSEQUENCES FOR FARMING/COULD TRIGGER INDISCRIMINATE SLAUGHTER THAT MAY ACTUALLY THREATEN SPECIES.

ACCORDING SHAW, IN ADDITION TO HIGH KANGAROO BIRTHRATE, ABSENCE OF US MRKT--WHICH ACCOUNTED FOR 500,000 KANGAROOS YRLY--HAS ADDED TO INCREASE OF ANIMALS. NOTES GOA HAS SENT USG MEMO EXPLAINING RISKS OF UNCHECKED KANGAROO GROWTH. CONCLUDES THAT EVEN IF US LIFTS IMPORT BAN, THERE PROBABLY WILL BE PRESSURE BY AUSSIE WILDLIFE ASSNS AGAINST EXPORTS.

UNCLASSIFIED

PAGE 14 STATE 186174

21. MICRONESIA

IN KOROR, PALAU, WP'S CHAPMAN OBSERVES "ALMOST UNIVERSAL JUDGMENT THAT 31 YEARS OF AMERICAN TRUSTEESHIP IN MICRONESIA HAS CREATED A SOCIETY DEPENDENT ON GOVERNMENT JOBS AND BENEFITS, AN ISLAND WELFARE STATE WHOSE PEOPLE ARE SO INUNDATED W/FREE HANDOUTS THAT THEY ARE ABANDONING EVEN THOSE ELEMENTAL ENTERPRISES--FISHING AND FARMING--THAT THEY HAD DEVELOPED BEFORE THE AMERICANS CAME." VANCE

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X Capture Date: 26 sep 1999 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: TEXT, FOREIGN POLICY POSITION, PRESS CONFERENCES

Control Number: n/a Copy: SINGLE Draft Date: 24 jul 1978 Decaption Date: 01 jan 1960 Decaption Note: Disposition Action: n/a

Disposition Approved on Date: Disposition Case Number: n/a Disposition Comment: Disposition Date: 01 jan 1960 Disposition Event: Disposition Event.
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE186174

Document Source: ADS Document Unique ID: 00 Drafter: EA/P:STAFF:VDC Enclosure: n/a

Executive Order: N/A Errors: n/a

Expiration: Film Number: D780303-0749 Format: TEL

From: STATE

Handling Restrictions: n/a Image Path:

ISecure: 1

Legacy Key: link1978/newtext/t197807106/baaaezii.tel

Line Count: 518 Litigation Code IDs: Litigation Codes:

Litigation History:
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Message ID: 1d72566b-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EA

Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a

Page Count: 10
Previous Channel Indicators: Previous Classification: n/a
Previous Handling Restrictions: n/a

Reference: n/a Retention: 0

Review Action: RELEASED, APPROVED Review Content Flags:

Review Date: 18 apr 2005 **Review Event:** Review Exemptions: n/a **Review Media Identifier:**

Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

SAS ID: 1857697 Secure: OPEN Status: NATIVE

Subject: JULY 24 EA PRESS SUMMARY

TAGS: SOPN, PEPR, SREF, US, XC
To: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS MOSCOW MULTIPLE Type: TE

vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/1d72566b-c288-dd11-92da-001cc4696bcc Review Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014